



Tuscaloosa Amphitheater Construction Bid

**Mayor Walter Maddox
June 2, 2009**

Continuing Our Progress

The Tuscaloosa Amphitheater will transform the riverfront touching the lives of the entire community

The Amphitheater will anchor our efforts in revitalizing West Tuscaloosa and the Central City

Due to the current economic climate, the cost for construction of the Amphitheater will never be lower

Continuing Our Progress

The Amphitheater will be the most effective and economical use that can be made of a former landfill

The Amphitheater will expand and enhance Tuscaloosa's cultural arts initiatives

The Amphitheater will create a significant economic benefit for all of West Alabama

Systematic and Transparent

Since 2003, the amphitheater site has been an integral part of the Riverfront Master Plan

The Amphitheater Task Force convened in January 2008 and held public meetings for six months. The Task Force issued a final report on July 29, 2008, recommending the City move forward with the project

Systematic and Transparent

Numerous updates and presentations were made to Council Committees, Riverfront Advisory Committee, Planning Commission and Community Groups

Since Fall 2008, City Staff has held weekly meetings with architects and engineers to monitor plans, reports and budgets

Funding

As designated by the City Council, the vast majority of the amphitheater budget is funded with 2 percent of the **lodging tax**

The lodging tax is generated by hotels and is paid predominately by non-residents visiting the City

The lodging tax dedicated for this project and the Farmers Market / TCVB cannot be allocated for other City operational needs

Understanding the Complexities

This is one of the most exciting, but complex capital projects in the City's history. In recognition of this, the Council wisely set aside over a million dollars above our minimum reserve in the Fiscal Year 2009 Capital Budget (GF RFFI)

This is in addition to the contingencies contained in the City's amphitheater budget and the contractor's bid

Strong Financial Management

Of the last 18 infrastructure/building projects that have gone to bid, the City has a surplus of **\$2,962,640.80**

Construction Process

There are four major components to the construction of the amphitheater:

★ Site Work

★ Construction

Furniture, Fixtures and Equipment

★ Professional Cost

Projected Budget

	Estimated	Bid
Site Work:	\$765,000	\$486,795
Construction¹:	\$13,726,248	\$14,176,823
FF & E:	\$850,000	TBD
Professional:	\$1,361,147	TBD

¹ The construction base bid includes a contingency of \$1,068,943

Site Work Bid

The budget for site work was \$765,000

The awarded bid is \$486,795 to a local contractor

The savings is **\$278,205**

Construction Base Bid

The total estimated amphitheater budget for construction base bid is \$13,726,248

The recommended awarded base construction bid is \$14,176,823 to a local contractor

Embedded in the contractor's bid is \$600,000 for contingency, this is in addition to the City's contingency

Construction Base Bid

Actual base bid construction cost is
\$13,576,823 (\$14,176,823 - \$600,000)

The actual base bid construction cost difference is **\$149,425** under base bid construction budget

Analyzing the Bid Documents

“In the following days, we will engage in a detailed analysis of the bid documents to verify base bid and alternate prices. Only at that time, can we make an accurate evaluation of the city’s budget versus the awarded price of the project. We will likely have a recommendation for the City Council on June 2 and as much as the budget allows, we are going to actively pursue elements of the alternative packages.”

Tuscaloosa News, May 22, 2009, Mayor Walt Maddox

Potential Cost Savings

The City and the Design Team will begin value engineering the awarded bid

The City will not require certain civil engineering and architectural services that were originally budgeted, but now no longer needed for the project

Alternate Bids

Alternate One: The cost is \$466,210.50.
This will provide deep foundations for a future roof canopy

Alternate Two: The cost is \$190,000.00
This will provide field stone in place of split-face block on all buildings

Alternate Three: The cost is \$142,024.50.
This will extend the river walk north and west of the amphitheater site

Alternate Bids

Alternate Four: The cost is \$324,400. This will provide deep foundations and additional semi-essential concrete pavement

Alternate Five: The cost is \$1,046,540. This will provide deep foundations and additional non-essential concrete pavement

Recommendation

The City award the base construction base bid and the first three alternates to Harrison Construction Company. The total bid construction cost is \$14,375,058

Base Bid:	\$13,576,823.00	(w/o contingency)
Alternate 1:	\$466,210.50	
Alternate 2:	\$190,000.00	
Alternate 3:	\$142,024.50	

Recommendation

Once value engineering and contract cost reductions are completed, and if additional funding is required, a recommendation will be made to the City Council

Immediate Economic Impact

According to Harrison Construction, over 75 percent of their sub-contractors are local companies which will employ over 500 individuals and create a nearly \$4 million dollar payroll

Using local sub-contractors will result in the purchase of construction materials estimated at \$5.6 million